

COMMITTEE ON COMMERCE

Representative J.D. Mesnard, Chairman
Representative Rick Gray, Vice-Chairman
Diana Clay, Legislative Research Analyst



* Strike-Everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
[P 108] Proposition 108 Clause
[LIV] Line Item Veto

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HB 2026 – Chapter 48 – real estate licenses; renewal

Permits a real estate broker to renew a license as a salesperson without completing the required education and passing the licensing exam. Stipulates that the broker must pay the designated salesperson's renewal fee.

HB 2076 – Chapter 68 – home inspector liability; time limit

Restricts the time period for a homeowner to commence a cause of action for damages against a home inspector to four years after the cause of action accrues.

HB 2087 – Chapter 196 – *batteries; catalytic converters; reporting; dealers

Requires a used automotive components dealer to keep a book or record of each transaction involving lead acid batteries on the business premises for one year, except when the batteries are part of a vehicle purchase. Outlines data collection requirements and prescribes penalties for failure to comply. The record of all transactions must be submitted electronically to DPS, which must establish rules, make the information available to local law enforcement, and provide training and applicable procedures for accessing the information.

HB 2091 – Chapter 219 – residential roofing repair contracts

Outlines the requirements for a construction contract for residential repairs or replacement when damage results from catastrophic storm damage. Prescribes the necessary elements for disclosing information to the insured owner when anticipating filing an insurance claim. Permits the insured homeowner to rescind the contract under specified conditions.

HB 2126 – Chapter 329 – handyman exemptions; applicability

Modifies the handyman exemption to require that performing fire safety installation, maintenance, and repair work to be licensed by the ROC. Requires ROC licensure to install, maintain, or repair devices, appliances, or equipment if a connection is made to any supply of natural gas, propane, petroleum, or gaseous fuel. Excludes routine work by an employee of an apartment or condominium complex if the work is incidental to the fire safety equipment.

HB 2150 – Chapter 115 – unemployment insurance; independent contractor; appeals

Redefines the term *employee* for purposes of UI to indicate control by the employer of the person's hours and location of work, right to perform services for others, tools, equipment, materials, expenses, and use of other workers. Increases several timeframes for filings and appeals.

HB 2157 – Chapter 183 – salon managers; requirements

Permits a person to manage a cosmetology salon without having a license.

HB 2195 – Chapter 92 – *timeshares; amended public reports

Specifies that a developer may elect to prepare an amended public report for use in the sale of the timeshare plan. Requires a developer to provide the application, a copy of the amended public report, and the filing fee to the Real Estate Commissioner. Allows the developer to begin sales or leasing activities when the Commissioner issues a certification of administrative completeness in hard copy or electronic format.

HB 2248 – Chapter 49 – employer reporting requirements; new employees

Requires employers to report to DES the date an employee first performed services for pay.

HB 2262 – Chapter 30 – threading exemption; cosmetology

Exempts from licensure by ABOC persons who remove hair from the eyebrow or other parts of the face by twisting thread around the hair to remove the hair from its follicle, if the service does not include the use of chemicals, tools, or wax.

HB 2263 – Chapter 330 – methamphetamine precursor logging system

Regulates the sale and purchase of ephedrine and pseudoephedrine based products. Requires the retailer to record and electronically submit purchaser information to a national database.

HB 2265 – Chapter 266 – commission on the arts; continuation.

Continues the Arizona Commission on the Arts for 10 years until July 1, 2022. Prohibits using any related monies to desecrate, burn, or dishonor religious objects or the US flag. Requires the Commission to establish procedures for grant making that include guidelines for decency and clearly state that obscenity is without artistic merit.

HB 2357 – Chapter 239 – real estate brokers; education

Effective January 1, 2013, requires instruction at broker management clinics to include statutory and administrative rule instruction, broker policy development, employee supervision, broker responsibilities, and other related topics. Increases the number of continuing education hours for license renewal for designated brokers and associate brokers working for designated brokers. Increases, from \$500 to \$3,000, the maximum dollar amount a real estate broker may deposit into a trust fund account.

HB 2396 – Chapter 53 – theft of metal; sentencing.

Omits the term *scrap metal* from the definition of *value*; thus, redefining the value of *metal* (ferrous or nonferrous) as the average fair market value of the metal in the local area together with the repair or replacement value of any property.

HB 2440 – Chapter 99 – board of cosmetology

Modifies the statutes governing ABOC to allow it to hire consultants and persons to provide investigative, professional, and clerical assistance. Exempts from licensure persons who provide certain tanning services. Specifies that attorney fees associated with disciplinary actions may be collected from the licensee and outlines their permissible use. Permits a licensee to practice in a health care facility or residence of a person requiring home care.

HB 2606 – Chapter 336 – *liquor omnibus

An omnibus bill that makes numerous changes to the DLLC and the related industry. Modifies the requirements to obtain a social or private club license, adds *community college* and the *National Guard* to the list of government licensees authorized to sell and serve liquor at specified places. Revises the guidelines for posting notice and conducting a hearing. Increases the permissible amount of beer served by an on-sale retailer. Specifies requirements for delivering distilled spirits by the retailer and directs DLLC to issue a report to the Governor, Legislature, and the SOS by July 1, 2015. Allows a peace officer, while undercover, to consume small amounts of liquor while still possessing a firearm. Authorizes a licensee to dispense beer for off-premises consumption as outlined. Specifies training, record-keeping, and license transfer requirements. Permits the director to implement a two-year license renewal plan. Simplifies and describes the process for obtaining an interim permit. Increases the limits for wine sampling. Includes public and private schools in the exemptions from the distance restriction for entertainment districts. Includes walk-up service windows in the statutes that regulate drive-through service windows.

HB 2611 – Chapter 245 – *real estate; public reports

Specifies disclosure requirements for subdivision public reports and clarifies their distribution. Permits subdivision inspections by private entities.

HB 2689 – Chapter 229 – real estate transfer affidavit; exemptions

Eliminates the required affidavit and fee for documents executed for nominal or no monetary consideration, including a quitclaim deed and transfer of title for residential property. Modifies the list for when an affidavit and fee for transfer of title are required for certain parties.

HB 2748 – Chapter 341 – *alarm business; alarm agent; certification

Beginning May 1, 2013, places regulation of alarm businesses and alarm agents under BTR. Permits alarm installations if the business submits the necessary application for certification to BTR or is already licensed by ROC or the alarm agent submits an application and fingerprints to BTR. Appropriates \$180,000 from the Technical Registration Fund for start-up and operating costs.

HB 2815 – Chapter 343 – employment; incentives; regulatory tax credit

Establishes individual and corporate income tax credits for capital investments and employment in new or expanded commercial headquarters and manufacturing and research facilities. Extends the Renewable Energy Credit by five years and eliminates the cap on the number of net new employees for which a company may annually claim the New Employment Tax Credit. Reduces taxation on individual long-term net capital gains, provides an income tax subtraction equal to 10% of the federal bonus depreciation allowance, and extends the net operating loss carryover timeframe. Amends the calculation for determining the business personal property exemption amount and establishes the Employer-Funded Job Training Program Study Committee.

HB 2825 – Chapter 186 – telephone solicitations; business opportunities

Regulates business opportunity companies, places restrictions on sellers, and requires registration with the SOS. Defines *business opportunity*.

HB 2835 – Chapter 170 [P 105] – Arizona commerce authority; statutory conformity

Amends A.R.S. to conform to the law that created ACA.

SB 1085 – Chapter 171 – state real estate department; continuation.

Continues DRE for 10 years until July 1, 2022.

SB 1132 – Chapter 138 [E] – *private attorney retention; contingency fees

Modifies statutes related to a contingency fee contract between the AG and a private attorney and clarifies the formula for determining the amount of the contingency fee.

SB 1273 – Chapter 310 [E] – dog tracks; live racing exception

Reduces the number of live dog races a Pima County racetrack is required to conduct for purposes of simulcast wagering. Through September 30, 2013, allows a horse track in Maricopa County to conduct additional dark day simulcasts as outlined.

SB 1280 – Chapter 311 – tobacco; internet; mail sales; e-cigarettes

Prohibits certain persons from purchasing tobacco products through a delivery sale and outlines purchase restrictions. Prescribes taxpayer bond amounts for licensees to sell tobacco products, authorizes investigations by the AG, and outlines specific violations and corresponding penalties.

SB 1339 – Chapter 20 – department of housing; continuation

Continues the Arizona Department of Housing for five years until July 1, 2017.

SB 1442 – Chapter 328 – prime contracting; manufacturing facilities; infrastructure

Authorizes the AST to pay prime contracting TPT revenues to a municipality or county to fund up to 80% of the cost of public infrastructure and associated improvements necessary to support the activities of a manufacturing facility that agrees to meet the following capital investment thresholds:

- \$500 million if located in a county with a population exceeding 800,000 persons.
- \$50 million if located in a county with a population of less than 800,000 persons.

Requires the manufacturing facility to file a sworn statement of certification with the ACA related to the capital investment and provide the applicable municipality or county with a copy of the certification prior to any construction. Directs the municipality or county to enter into a written agreement with DOR upon receipt of certification and agree to the stated requirements.

Prescribes a 10 year limit for the payment of TPT revenues, from September 30, 2013 to September 30, 2023, and limits the aggregate amount of payments to \$50 million. Limits FY 2014-15 payments to \$5 million.

Prohibits the AST from making payments prior to June 30, 2014 and until 25% of the certified capital investment that constitutes the construction phase services has been made. Defines *pertinent terms*.